FUXING CHINA GROUP LIMITED

(Incorporated in Bermuda)
(Company Registration No.:38973)

ADOPTION OF DIVIDEND POLICY FOR FINANCIAL YEARS ENDING 31 DECEMBER 2026, 31 DECEMBER 2027 AND 31 DECEMBER 2028

The Board of directors (the "**Board**") of Fuxing China Group Limited (the "**Company**", and together with its subsidiaries, the "**Group**") is pleased to announce the adoption of a dividend policy that aims to provide shareholders of the Company ("**Shareholders**") with a target annual dividend payout of at least 15% of the Group's profit attributable to equity holders of the Company as dividends in respect of the next three financial years ending 31 December 2026, 31 December 2027 and 31 December 2028**.** Such declaration and payment of dividends shall be determined at the sole discretion of the Board. Any recommendation for final dividends to be paid will be tabled for Shareholders' approval at the Company's annual general meetings ("**AGM"**).

For the financial year ended 31 December 2025 and as announced on 27 February 2026, the Board has recommended the payment of final dividend of RMB0.15 per ordinary share amounting to approximately RMB 3,031,000 which represented distribution of approximately 15.0% of the Group's profit attributable to equity holders of the Company of approximately RMB20.3 million for FY2025. The proposed final dividend will be tabled for Shareholders' approval at the Company's forthcoming AGM to be held by end of April 2026.

In proposing any dividend payout, the Board shall take into account, inter alia:-

(a) the Group's financial performance and financial indicators;
(b) the Group's cash and borrowings;
(c) the Group's projected levels of capital expenditure for its factory operations and other investment plans such as acquisitions, expansion plans;
(d) the Group's working capital requirements and general financing conditions;
(e) restrictions on payments of dividends imposed on the Group by its financial arrangements with its lenders (if any);
(f) the general economic and business conditions in countries in which the Group operates which are China and Hong Kong; and
(g) any other factors and considerations the Board may deem relevant.

The Board endeavors to maintain a balance between meeting Shareholders' expectations and prudent capital management with a sustainable dividend policy. The Board will continually review the dividend policy and reserves the right in the sole and absolute discretion to update, amend, modify and/or cancel the dividend policy at any time.

Shareholders and investors of the Company should note that the dividend policy is not indicative in any way of, and should not be construed in any manner as, a forecast statement or projection made by the Company or the Board, on the future financial results and performance of the Group. In particular, no inference should or can be made from any of the foregoing statements as to the actual future profitability of the Group, or the ability of the Company to pay dividends. The dividend policy shall in no way constitute a binding commitment by the Company in respect of its future dividends.

BY ORDER OF THE BOARD

Hong Qing Liang
Executive Chairman

31 March 2026